

**PUBLIC EMPLOYEES' RETIREMENT SYSTEM**  
**PERFORMANCE REPORT FOR FEBRUARY 2002**

3/28/2002

	Assets as of February 28, 2002			*RATES OF TOTAL RETURN							
	EMV \$(000)	Actual Alloc	Policy Alloc	Month Ended (preliminary)		Quarter Ended				2002 FYTD	YR Ended 6/30/2001
				Feb-02	Jan-02	Dec-01	Sep-01	Jun-01	Mar-01		
LARGE CAP EQUITY											
Structured Growth											
Alliance Capital Management	23,380	2.1%	2.3%	-6.68%	-4.32%	15.49%	-20.69%	10.03%	-20.32%	-18.22%	-28.08%
RUSSELL 1000 GROWTH				-4.15%	-1.77%	15.14%	-19.41%	8.42%	-20.90%	-12.63%	-36.18%
Structured Value											
LSV	28,124	2.5%	2.3%	2.01%	2.30%	8.73%	-8.79%	8.10%	-0.19%	3.49%	28.93%
RUSSELL 1000 VALUE				0.16%	-0.77%	7.37%	-10.95%	4.88%	-5.86%	-4.97%	3.84%
Enhanced S&P Index (1)											
Northern Trust Global Investments	48,944	4.4%	4.5%	-1.77%	-1.36%	10.54%	-14.35%	5.69%	-11.46%	-8.26%	N/A
Strong Capital	50,004	4.4%	4.5%	-2.00%	-1.10%	11.72%	-15.98%	3.71%	-9.66%	-9.02%	N/A
Westridge Capital	52,610	4.7%	4.5%	-1.87%	-1.38%	10.90%	-14.60%	5.60%	-10.86%	-8.34%	N/A
Total Enhanced S&P Index	151,558	13.5%	13.5%	-1.88%	-1.28%	11.05%	-14.96%	5.02%	-11.43%	-8.52%	N/A
S&P 500				-1.93%	-1.46%	10.69%	-14.68%	5.85%	-11.86%	-8.73%	N/A
Enhanced Russell 1000 Index (1)											
Wilshire	49,854	4.4%	4.5%	-1.77%	-1.07%	10.79%	-15.41%	6.52%	-12.21%	-8.93%	N/A
RUSSELL 1000				-1.99%	-1.27%	11.11%	-15.23%	6.31%	-12.57%	-8.86%	N/A
S&P 500 Index											
State Street - S&P 500 Index	84,326	7.5%	7.5%	-1.93%	-1.46%	10.69%	-14.68%	5.85%	-11.86%	-8.74%	-14.75%
S&P 500				-1.93%	-1.46%	10.69%	-14.68%	5.85%	-11.86%	-8.73%	-14.83%
TOTAL LARGE CAP EQUITY	337,242	30.0%	30.0%	-1.90%	-1.23%	11.03%	-14.80%	6.06%	-11.10%	-8.34%	-11.52%
S&P 500				-1.93%	-1.46%	10.69%	-14.68%	5.85%	-11.86%	-8.73%	-14.83%
SMALL CAP EQUITY (2)											
SEI	95,220	8.5%	8.0%	-3.50%	-1.40%	20.00%	-20.04%	N/A	N/A	-8.70%	N/A
RUSSELL 2000 + 200 bp				-2.57%	-0.87%	21.59%	-20.29%	14.79%	N/A	-6.39%	N/A
TOTAL SMALL CAP EQUITY	95,220	8.5%	8.0%	-3.50%	-1.40%	20.00%	-20.02%	-5.80%	-6.44%	-8.68%	1.69%
RUSSELL 2000				-2.74%	-1.04%	21.09%	-20.79%	14.29%	-6.51%	-7.68%	0.57%
INTERNATIONAL EQUITY											
Intl Core											
State Street	43,880	3.9%	4.0%	0.85%	-3.83%	7.71%	-15.06%	0.60%	-10.23%	-11.27%	-17.93%
MSCI 50% HEDGED EAFE INDEX				0.50%	-4.00%	8.60%	-16.41%	0.15%	-10.44%	-12.42%	-17.95%
Intl Active											
Capital Guardian	45,072	4.0%	4.0%	0.97%	-4.37%	12.46%	-17.26%	0.85%	-9.61%	-10.15%	-20.14%
MSCI 50% HEDGED EAFE INDEX				0.50%	-4.00%	8.60%	-16.41%	0.15%	-10.44%	-12.42%	-17.95%
TOTAL INTERNATIONAL EQUITY	88,953	7.9%	8.0%	0.91%	-4.10%	10.06%	-16.14%	0.72%	-9.66%	-10.69%	-18.81%
MSCI 50% HEDGED EAFE INDEX				0.50%	-4.00%	8.60%	-16.41%	0.15%	-10.44%	-12.42%	-17.95%
EMERGING MARKETS											
Value - Active - Commingled											
Capital Guardian	56,205	5.0%	5.0%	0.42%	2.51%	29.87%	-24.96%	6.98%	-7.44%	0.32%	-29.31%
MSCI EMERGING MKTS FREE INDEX				1.64%	3.39%	26.60%	-21.60%	3.90%	-5.46%	4.30%	-25.93%
DOMESTIC FIXED INCOME											
Core Bond											
Western Asset	57,173	5.1%	4.6%	1.67%	0.96%	-0.15%	4.75%	1.37%	3.64%	7.36%	13.40%
LB AGGREGATE				0.97%	0.81%	0.05%	4.61%	0.56%	3.03%	6.53%	11.22%
Active Duration											
Criterion	56,012	5.0%	4.6%	0.66%	0.97%	-0.76%	3.28%	0.67%	2.67%	4.17%	12.34%
LB AGGREGATE				0.97%	0.81%	0.05%	4.61%	0.56%	3.03%	6.53%	11.22%
Index											
Bank of North Dakota	63,677	5.7%		0.98%	0.95%	-0.09%	5.01%	0.04%	3.29%	6.95%	11.04%
BND (Match Loan Program)	17,570	1.6%		0.44%	0.44%	1.45%	1.43%	1.45%	1.43%	3.81%	5.89%
Total Bank of North Dakota	81,247	7.2%	7.0%	0.84%	0.83%	0.24%	4.19%	0.37%	2.83%	6.19%	9.79%
LB GOV/CORP				0.85%	0.73%	0.06%	4.76%	0.30%	3.20%	6.48%	11.13%

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Core											
Strong Capital	60,890	5.4%	4.6%	0.42%	0.65%	0.45%	4.04%	1.17%	4.74%	5.63%	13.45%
LB BAA BOND INDEX				0.37%	1.12%	0.35%	3.59%	0.79%	0.59%	5.50%	6.00%
Convertibles											
TCW	55,626	4.9%	4.6%	-4.53%	-2.17%	12.91%	-16.04%	4.87%	-9.69%	-11.46%	-13.58%
1ST BOSTON CONVERTIBLE INDEX				-3.00%	-1.28%	7.67%	-11.01%	4.12%	-6.24%	-8.25%	-11.87%
Timberland											
Wachovia	18,149	1.6%	2.5%	0.05%	0.05%	0.15%	N/A	N/A	N/A	N/A	N/A
<b>TOTAL DOM FIXED INCOME</b>	<b>329,097</b>	<b>29.3%</b>	<b>28.0%</b>	<b>-0.11%</b>	<b>0.26%</b>	<b>2.09%</b>	<b>0.42%</b>	<b>1.55%</b>	<b>1.02%</b>	<b>2.67%</b>	<b>6.87%</b>
LB AGGREGATE				0.97%	0.81%	0.05%	4.61%	0.56%	3.03%	6.53%	11.22%
HIGH YIELD BONDS											
Western Asset	59,611	5.3%	5.0%	0.97%	0.00%	5.75%	-4.41%	-1.75%	3.88%	2.07%	-4.46%
LB HIGH YIELD BOND INDEX				-1.40%	0.70%	5.78%	-4.23%	-2.29%	6.36%	0.58%	-0.96%
INTERNATIONAL FIXED INCOME											
Intl Core											
Brinson	53,360	4.7%	5.0%	0.42%	-2.17%	-3.56%	7.80%	-2.51%	-5.37%	2.13%	-7.58%
SALOMON NON-US GOV'T BOND				0.38%	-2.67%	-3.97%	7.75%	-1.97%	-4.90%	1.09%	-7.43%
REAL ESTATE (3)											
JMB	1,011	0.1%		-5.58%	-5.58%	-15.82%	2.13%	1.19%	0.18%	-23.35%	1.92%
TCW	0	0.0%		-3.71%	-3.71%	-10.72%	-4.64%	-8.63%	8.33%	-21.06%	25.25%
INVESCO	33,302	3.0%		4.04%	4.04%	12.63%	10.90%	2.09%	8.35%	35.21%	13.52%
J.P. Morgan	28,398	2.5%		0.41%	0.41%	1.23%	1.47%	2.41%	1.91%	3.56%	10.27%
<b>TOTAL REAL ESTATE</b>	<b>62,712</b>	<b>5.6%</b>	<b>5.0%</b>	<b>2.43%</b>	<b>2.43%</b>	<b>7.47%</b>	<b>6.76%</b>	<b>2.22%</b>	<b>5.20%</b>	<b>20.38%</b>	<b>11.92%</b>
NCREIF PROPERTY INDEX				0.52%	0.52%	1.58%	1.75%	2.26%	2.28%	4.44%	11.15%
PRIVATE EQUITY (3)											
Brinson IVCF II	397	0.0%		-3.87%	-3.87%	-11.17%	-18.72%	-1.37%	-14.27%	-33.28%	-32.28%
Coral Partners II	364	0.0%		-11.82%	-11.82%	-31.45%	-27.90%	9.90%	-25.07%	-61.57%	-49.84%
Coral Partners V	11,045	1.0%		-3.92%	-3.92%	-11.30%	-34.09%	-1.35%	-1.54%	-46.03%	19.29%
Coral Partners Supplemental V	466	0.0%		-0.31%	-0.31%	-0.92%	N/A	N/A	N/A	N/A	N/A
Brinson 1998 Partnership Fund	2,181	0.2%		-4.12%	-4.12%	-11.87%	-3.49%	-11.40%	-7.87%	-21.82%	-3.63%
Brinson 1999 Partnership Fund	2,557	0.2%		-3.95%	-3.95%	-11.39%	-1.32%	-7.40%	-5.26%	-19.34%	-4.36%
Brinson 2000 Partnership Fund	3,034	0.3%		-1.39%	-1.39%	-4.11%	-0.50%	-2.89%	-1.42%	-7.22%	2.74%
Brinson 2001 Partnership Fund	509	0.0%		-0.59%	-0.59%	-1.75%	-0.12%	1.13%	0.02%	-3.02%	N/A
Brinson 1999 Non-US Partnership Fund	924	0.1%		-0.32%	-0.32%	-0.95%	-1.98%	-3.16%	2.55%	-3.53%	2.24%
Brinson 2000 Non-US Partnership Fund	684	0.1%		0.88%	0.88%	2.67%	-1.98%	-3.50%	-0.37%	2.42%	-7.03%
Brinson 2001 Non-US Partnership Fund	322	0.0%		0.22%	0.22%	0.66%	0.66%	0.66%	N/A	1.77%	N/A
Brinson BVCF IV	5,532	0.5%		-1.32%	-1.32%	-3.90%	-11.21%	-3.31%	-3.49%	-16.91%	-11.46%
InvestAmerica Lewis & Clark Fund	65	0.0%		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Hearthstone	2,911	0.3%		1.18%	1.18%	3.57%	2.94%	8.16%	0.00%	9.14%	8.17%
<b>TOTAL PRIVATE EQUITY</b>	<b>30,992</b>	<b>2.8%</b>	<b>5.0%</b>	<b>-2.49%</b>	<b>-2.49%</b>	<b>-7.28%</b>	<b>-16.22%</b>	<b>-2.20%</b>	<b>-3.01%</b>	<b>-26.14%</b>	<b>2.62%</b>
POST VENTURE CAPITAL INDEX				9.14%	9.14%	29.99%	-35.63%	23.87%	-31.48%	-0.34%	-48.23%
CASH EQUIVALENTS											
TNT Short Term Extendable Portfolio	11,454	1.0%	1.0%	0.04%	0.24%	0.49%	1.03%	1.34%	1.27%	1.81%	5.91%
90 DAY T-BILLS				0.13%	0.15%	0.64%	1.08%	1.12%	1.51%	2.01%	5.90%
<b>TOTAL FUND</b>	<b>1,124,844</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-0.69%</b>	<b>-0.67%</b>	<b>7.42%</b>	<b>-8.33%</b>	<b>3.68%</b>	<b>-4.57%</b>	<b>-2.86%</b>	<b>-4.12%</b>
POLICY TARGET BENCHMARK				0.03%	-0.06%	8.60%	-8.68%	4.37%	-5.71%	-0.85%	-6.47%
TOTAL VALUE ADDED DUE TO											
Asset Mix				-0.23%	-0.20%	-2.50%	2.00%	-0.33%	0.92%	-0.99%	2.01%
Active Management				-0.48%	-0.41%	1.45%	-1.58%	-0.33%	0.29%	-1.05%	0.49%
<b>Total Value Added</b>				<b>-0.72%</b>	<b>-0.62%</b>	<b>-1.05%</b>	<b>0.41%</b>	<b>-0.66%</b>	<b>1.21%</b>	<b>-2.04%</b>	<b>2.50%</b>

(1) Funded between July 25 and August 1, 2000.

(2) Brinson and Nicholas-Applegate were terminated and SEI hired May 18, 2001 with a transition of assets occurring during the month of June.

(3) Monthly returns estimated based on quarters' returns.

**\*NOTE:**

Monthly returns and market values are preliminary and subject to change.  
Returns are net of investment management fees.